

BOND RATING UPGRADE, BUILD AMERICA BONDS MEAN SAVINGS FOR CUDAHY TAXPAYERS

CUDAHY – (November 24, 2009) – Newly-analyzed numbers show the City of Cudahy will save nearly \$500,000 because of its upgraded bond rating earlier this month, as well as the City's decision to issue Build America Bonds, which were created through the American Recovery and Reinvestment Act of 2009.

Standard & Poor's increased Cudahy's rating from "A+" to "AA –", citing the city's commitment to maintaining its 25% operating reserve fund, completion of a five-year financial management plan, paying off \$1.5 million of its unfunded pension liability, steady tax base growth due to successful redevelopment efforts and proximity to the airport and downtown Milwaukee.

Moody's Investors Service affirmed Cudahy's "A2" rating.

In the bond sale on November 17th, Cudahy received an interest rate of 3.22% for \$7,250,000 Build America Bonds – a record-low interest rate for the city.

"We could not be more pleased with this interest rate," said Mayor Ryan McCue. "It means a savings of \$50,000 over the life of the bond issue. The Build America Bonds will save Cudahy \$448,000, which ultimately means a savings of \$498,000 for our taxpayers."

The Build America Bond Program allows state and local governments to issue taxable bonds for capital projects at lower borrowing costs to stimulate the economy and create jobs. Governments receive a direct federal subsidy payment from the Treasury Department for a portion of their borrowing costs.

Cudahy received a rate of 4.67% for \$3,950,000 General Obligation Bonds.

The city bonded for \$11.2 million for 2009 and 2010 combined to save administrative costs. The bond will pay for storm and sanitary sewer improvements, Tax Increment Financing (TIF) costs and miscellaneous General Fund Capital Improvement projects.

The city will see savings to all future bond issues while Cudahy maintains its "AA –" rating.

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Financial Plan, Redevelopment Cited for Cudahy Bond Rating Increase

CUDAHY – (November 16, 2009) -- At a time when so many municipalities are struggling financially, the City of Cudahy is earning high marks for its financial operations.

On Wednesday Standard & Poor's upgraded Cudahy's bond rating from "A+" to "AA –", and Moody's Investors Service affirmed the city's "A2" rating.

"This is excellent news for our City and our residents," said Mayor Ryan McCue. "The upgrade will decrease our borrowing costs, save taxpayer dollars and affirms that Cudahy is moving in the right fiscal direction."

"At a time when the State of Wisconsin's bond rating was lowered and most municipalities' bond ratings remain flat, I am very proud of the work we have done which has caused an upgrade in Cudahy's bond rating," the mayor said.

Standard & Poor's attributes the increase to "AA –" to Cudahy's commitment to maintaining the city's 25% operating reserve fund, completion of a five-year financial management plan, paying off \$1.5 million of the City's unfunded pension liability, steady tax base growth due to successful redevelopment efforts and proximity to the airport and downtown Milwaukee.

Mayor McCue, Finance Committee Chairman Mark Otto, City Accountant Bruce Schuknecht, Director of Economic Development Lara Fritts and Director of Public Works Mary Jo Lange made presentations to Standard & Poor's and Moody's on November 4th.

"I applaud our team for their efforts to continue to improve Cudahy's financial position, especially during these difficult economic times," said Alderman Otto.

The city expects to see an estimated five basis point reduction in interest cost for the upcoming bond issue, which will translate to approximate \$30,000 over the life of the issue. Cudahy also will see savings to all future issues while the city maintains this rating.

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Budget Timetable for 2009

Finance Committee meeting: Tuesday, October 6th, 2009 (5:30pm)

Mayor submits Budget: Friday, October 9th, 2009

Finance Committee meeting: Wednesday, October 14th, 2009 (5:30pm)

Finance Committee meeting: Wednesday, October 21st, 2009 (5:30pm)

Finance Committee meeting (if needed): Tuesday, October 27th, 2009 (5:30pm)

Publication of the Budget: Thursday, November 5th, 2009

Public Hearing: Monday, November 23rd, 2009 (7:00pm)

Common Council Final Approval: Immediately following the hearing

Bill Allowing for Cleanup and Development of Abandoned Cudahy Site Moves to Governor's Desk

CUDAHY – (November 5, 2009) – Legislation awaiting Governor Jim Doyle's signature is the first step toward development of a 30-acre site in Cudahy that has been abandoned for more than 40 years. The legislation is part of an innovative development agreement approved by the Common Council last month.

The agreement states that Cudahy will contribute \$6.6 million toward a retail project at the southwest corner of Layton and Pennsylvania Avenues, but only if the developer – Cobalt Partners of Milwaukee – can first get the State Legislature to consider and pass a bill. The bill lets local governments transfer excess property tax revenue generated by one environmental tax incremental finance district, or ETID, to another ETID within the same municipality.

"This legislation will put ETIDs on par with **traditional** TIDs," said Cudahy Mayor Ryan McCue.

"Under current law, municipalities are allowed to allocate positive tax increment from existing traditional TIDs to another TID. We think the case for such allocation is even more compelling in the case of environmental redevelopment."

Both houses passed the bill unanimously -- 32 to zero by the senate on Thursday and 94 to zero by the assembly last week after a process begun by Cobalt in 2008.

“State lawmakers recognized the lack of parity with traditional TID law and the potential to stimulate solid economic development projects that would not otherwise occur because of their brownfield status,” said Scott Yauck, a principal with Cobalt. “There was strong municipal support for extension of this proven economic development tool.”

The 30-acre site controlled by Cobalt once housed municipal landfills, which closed in the 1960s. It has remained undeveloped since then, primarily because the land requires remediation before development can begin.

The ETID at the heart of the issue was created to redevelop the area around the Cudahy Connection condominium project on South Buckhorn Avenue. The Community Development Authority (CDA) would like to use the excess property tax revenue generated by that redevelopment to supplement **another** ETID to be created for the southwest corner of Layton and Pennsylvania Avenues.

Once the ETID legislation is signed by Governor Doyle, Cudahy plans to utilize an estimated \$2.1 million from the existing ETID to assist redevelopment of the Cobalt site. Cudahy may also borrow an estimated \$3.5 million to pay for environmental cleanup of the land. Property tax revenue would be used to pay off the debt.

“Without this ETID investment, development will not occur,” McCue said. “The costs of preparing this land for redevelopment are just too high compared to the value of the site.”

Under the agreement, Cobalt plans to build a retail development with a value of at least \$18 million. Some of the land would continue to be used as a capped solid waste site. “The City of Cudahy, including leadership by the Mayor and the CDA, is setting an example of how a public-private approach to redevelopment can transform a tax-exempt, nonproductive parcel of land into a high-quality, tax-producing amenity for the community,” Yauck said.

After the legislation becomes law, an environmental analysis of the site can begin, with remediation ideally to start in late 2010 or early 2011. Ground can not be broken on the project until that is complete.

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Iceport Structure Razed



Sheridan Park Named a Historical Landmark

CUDAHY – (November 1, 2009) -- Big honors for one of Cudahy's most prized treasures. The Milwaukee County Landmarks Program has designated Sheridan Park a historical landmark.

Official recognition will be granted to the park at an awards ceremony on Monday, November 9 at 6:00 p.m.

Since its inception in 1974, the Milwaukee County Landmarks Committee has designated 94 properties as historical landmarks. The award is based on historic, architectural and/or cultural significance to the county. Among the recipients: the Cudahy Historical Society's Train Depot, in addition to public parks, farmhouses, mansions, industrial buildings, churches, schools and medical institutions.

"Cudahy resident Raynelle Heil nominated Sheridan Park for the designation and was instrumental in getting it approved," said Mayor Ryan McCue. "We thank her for her efforts to get one of the City's true gems recognized by the county."

Former Majestic Theater Gets a Makeover

CUDAHY – (November 1, 2009) -- If you take a stroll down Layton Avenue you'll notice that a piece of Cudahy's architectural and entertainment history is undergoing transformation. The old Majestic Theater is the first building to get a facelift with the help of Cudahy's Façade Improvement Program.

Work crews have removed the 1970's-era stucco from the exterior of the building at 3620 East Layton, which once housed the Majestic Theater. The goal now is to return the structure to its original appearance, including restoration of the cream city brick, new siding, awnings and tile and a brand new marquee.

Construction will continue over the next several weeks and then be completed in spring.

"It is fitting that the city's first façade improvement project be done to such a significant building in Cudahy's history," said Mayor Ryan McCue. "The revitalization of this structure is just the beginning of the rebirth of our entire downtown area."

The old Majestic Theater building is owned by the Ademi and O'Reilly Law Firm. Other tenants include Anderson Smith Advertising Consultants, Scherrer Insurance and Mr. Paul's Hairstyling for Men.



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Circa 1950s